

BASIC FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

DISTRICT ATTORNEY OF THE THIRTY-FIRST
JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

December 31, 2013

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Annual Financial Statements
As of and for the Year Ended December 31, 2013
With Supplemental Information Schedules

C O N T E N T S

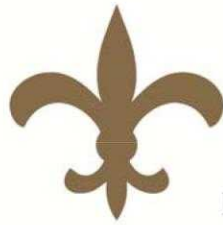
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DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Annual Financial Statements
As of and for the Year Ended December 31, 2013
With Supplemental Information Schedules

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Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

Honorable Michael C. Cassidy
District Attorney of the Thirty-First Judicial District
Parish of Jefferson Davis, Louisiana

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and each major fund of the District Attorney of the Thirty-First Judicial District, as of December 31, 2013, and for the year then ended, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District Attorney of the Thirty-First Judicial District preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Honorable Michael C. Cassidy
District Attorney of the
Thirty-First Judicial District
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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District Attorney of the Thirty-First Judicial District as of December 31, 2013, and the respective changes in financial position for the year ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 32 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Honorable Michael C. Cassidy
District Attorney of the
Thirty-First Judicial District
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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated June 30, 2014, on my consideration of the District Attorney of the Thirty-First Judicial District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

J. Aaron Cogan, CPA, LLC

June 30, 2014

BASIC FINANCIAL STATEMENTS

STATEMENT A

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

STATEMENT OF NET POSITION

December 31, 2013

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 882,463
Due from other governmental units	365,464
Interfund receivables	2,215
Capital assets (net)	<u>69,370</u>
 TOTAL ASSETS	 <u>1,319,513</u>
LIABILITIES	
Accounts payable	24,686
Payroll deductions, withholdings, and accrued salaries payable	42,694
Due to other governments	<u>52,879</u>
 TOTAL LIABILITIES	 <u>120,258</u>
NET POSITION	
Invested in capital assets, net of related debt	69,370
Restricted for:	
IV-D Program	28,729
Unrestricted	<u>1,101,154</u>
 TOTAL NET POSITION	 <u>\$ 1,199,253</u>

The accompanying notes are an integral part of these statements.

STATEMENT B

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2013

		Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services and Use	Operating Grants and Contributions	
Governmental Activities	Expenses			
Judicial activities	\$ 1,719,585	\$ 493,816	\$ 1,238,358	\$ 12,589
General Revenues:				
				2,781
				5,664
				8,444
				21,033
				1,178,220
				\$ 1,199,253

The accompanying notes are an integral part of these statements.

STATEMENT C

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

Balance Sheet, Governmental Funds

December 31, 2013

	General Fund	Title IV-D	Drug Forfeiture	Other Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 386,154	\$ 27,365	\$ 359,337	\$ 109,607	\$ 882,463
Due from other governments	311,351	7,876	-	-	319,227
Interfund receivables	5,467	-	1,455	760	7,682
Total Assets	<u>\$ 702,972</u>	<u>\$ 35,241</u>	<u>\$ 360,792</u>	<u>\$ 110,367</u>	<u>\$ 1,209,372</u>
LIABILITIES					
Accounts payable	\$ 24,686	\$ -	\$ -	\$ -	\$ 24,686
Payroll deductions, withholdings, and accrued salaries payable	40,349	2,345	-	-	42,694
Due to other governments	52,879	-	-	-	52,879
Interfund payables	-	4,167	-	1,300	5,467
Total Liabilities	<u>117,914</u>	<u>6,512</u>	<u>-</u>	<u>1,300</u>	<u>125,726</u>
FUND BALANCES					
Restricted:					
IV-D Fund Activity	-	28,729	-	-	28,729
Assigned			360,792	109,067	469,859
Unassigned	585,058	-	-	-	585,058
Total Fund Balances	<u>585,058</u>	<u>28,729</u>	<u>360,792</u>	<u>109,067</u>	<u>1,083,646</u>
Total Liabilities and Fund Balances	<u>\$ 702,972</u>	<u>\$ 35,241</u>	<u>\$ 360,792</u>	<u>\$ 110,367</u>	<u>\$ 1,209,372</u>

The accompanying notes are an integral part of these statements.

STATEMENT D

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position

December 31, 2013

Fund Balances, Total Governmental Funds (Statement C) \$ 1,083,646

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the governmental
funds.

Capital Assets	\$ 275,601	
Less: Accumulated Depreciation	<u>(206,231)</u>	69,370

Certain receivables recognized on the full-accrual basis for the
government-wide financial statements were not recognized
in the fund financial statements because they were not
considered available.

Due to/from other governments		<u>46,237</u>
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Net Position of Governmental Activities (Statement A)	<u>\$ 1,199,253</u>
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The accompanying notes are an integral part of these statements.

STATEMENT E

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

For the Year Ended December 31, 2013

	General Fund	Title IV-D	Drug Forfeiture	Other Funds	Total Governmental Funds
REVENUES					
Commissions on fines and forfeitures	\$ 365,859	\$ -	\$ 4,833	\$ 23,909	\$ 394,601
Intergovernmental revenues:					
Federal	31,610	64,005	-	-	95,615
State	15,600	32,973	-	-	48,573
Parish	418,868	-	-	-	418,868
Charges for services	-	-	-	99,215	99,215
On-behalf payments	717,979	-	-	-	717,979
Interest earnings	1,300	21	1,380	79	2,781
Other revenues	-	-	664	5,000	5,664
Total Revenues	1,551,216	96,999	6,877	128,203	1,783,295
EXPENDITURES					
Current:					
General government - judicial					
Salaries and related benefits	1,104,657	97,344	-	-	1,202,001
Advertising, dues and subscriptions	37,517	-	3,640	-	41,156
Communications	-	2,447	-	-	2,447
Repairs and maintenance	8,369	-	-	1,255	9,624
Professional services	64,331	-	-	15,600	79,931
Insurance	7,972	-	-	-	7,972
Office supplies	14,197	1,202	-	245	15,645
Operating supplies	3,676	-	-	165	3,841
Travel and professional development	12,500	-	-	-	12,500
Intergovernmental expenditures:					
Distributions to other governments					
LACE	326,457	-	-	-	326,457
Capital outlay	10,347	-	-	15,336	25,683
Total Expenditures - Judicial	1,590,023	100,992	3,640	32,601	1,727,256
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,807)	(3,993)	3,237	95,602	56,039
OTHER FINANCING SOURCES (USES)					
Operating transfers in	115,000	-	-	-	115,000
Operating transfers out	-	-	-	(115,000)	(115,000)
Total Other Financing Sources and Uses	115,000	-	-	(115,000)	-
NET CHANGES IN FUND BALANCES	76,193	(3,993)	3,237	(19,398)	56,039
FUND BALANCES BEGINNING OF YEAR	508,865	32,722	357,555	128,465	1,027,607
FUND BALANCES END OF YEAR	\$ 585,058	\$ 28,729	\$ 360,792	\$ 109,067	\$ 1,083,646

The accompanying notes are an integral part of these statements.

STATEMENT F

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities**

For the Year Ended December 31, 2013

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$	56,039
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Amounts reported for governmental activities
in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital outlay	\$ 25,683	
Depreciation	<u>(18,014)</u>	7,669

Certain receivables recognized on the full-accrual basis for the
government-wide financial statements were not recognized
in the fund financial statements because they were not
considered available.

Change in due to/from other governments		<u>(42,675)</u>
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Change in Net Position of Governmental Activities, Statement B	\$	<u>21,033</u>
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The accompanying notes are an integral part of these statements.

STATEMENT G

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2013

	TOTAL AGENCY FUNDS
	<hr/>
ASSETS	
Cash and cash equivalents	\$ 144,604
	<hr/>
TOTAL ASSETS	<u>\$ 144,604</u>
LIABILITIES	
Due to others	\$ 142,389
Interfund payables	<u>2,215</u>
TOTAL LIABILITIES	<u>\$ 144,604</u>

The accompanying notes are an integral part of these statements.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements

For the Year Ended December 31, 2013

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the parish of Jefferson Davis and the office is located in the parish courthouse in the City of Jennings, Louisiana.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

For financial reporting purposes, in conformance with Government Accounting Standards Board (GASB) Codification Section 2100, the District Attorney is a part of the district court system of the State of Louisiana. The GASB has established several criteria for determine the governmental reporting entity and component units that should be included within the reporting entity.

Financial accountability is determined by applying criteria established by the GASB as listed below:

- Financial benefit or burden
- Appointment of a voting majority
- Imposition of will
- Fiscally dependent

Certain transactions between the District Attorney and the Jefferson Davis Parish Police Jury are mandated by state statue and do not reflect fiscal dependency; they do not reflect financial accountability. The other three criteria of financial accountability do not pertain to the District Attorney when applying them as a means of identifying potential component units of the Jefferson Davis Parish Police Jury.

The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

B. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the GASB. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. GASB is the accepted standard setting body for establishing governmental accounting principles and reporting standards.

The District Attorney's basic financial statements consist of the government-wide statements and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*. The entity-wide financial statements follow the guidance included in GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

The District Attorney adopted Governmental Accounting Standards Board Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*. Collectively, these statements changed the government-wide statements of net assets from three elements to five, adding deferred outflows and deferred inflows and renamed it to the statement of net position. Certain items previously reported as assets and liabilities such as loan organization fees and non-exchange revenue for future periods are reclassified to deferred outflows or inflows, or are no longer carried on the statement of net position.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District Attorney. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

In government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Items not properly included among program revenues are reported instead as general revenues.

The net costs (by function) are normally covered by general revenue (interest earned, etc.). This government-wide focus is more on the sustainability of the District Attorney as an entity and the change in the District Attorney's net position resulting from the current year's activities.

Fund Financial Statements (FFS)

Separate fund financial statements (FFS) are provided for governmental funds and fiduciary funds, even though the latter are excluded from the GWFS. Major individual governmental funds are reported as a separate column in the fund financial statements.

The District Attorney uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District Attorney functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

The following fund types are used by the District Attorney:

Governmental Funds: Governmental funds account for all or most of the District Attorney's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District Attorney.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

The following are the District Attorney's major governmental funds:

General Fund - The primary operating fund of the District Attorney and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District Attorney policy. The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 percent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office.

Title IV-D Special Revenue Fund - The Title IV-D Special Revenue Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Drug Forfeiture Special Revenue Fund - The Drug Forfeiture Special Revenue Fund consists of 20% of the fines collected and bonds forfeited under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 as prescribed under LRS 40:2616. At the discretion of the District Attorney these funds are put in this special revenue fund instead of the general fund as allowed by law. As provided by LRS 40:2616, these funds can be used for public purposes including, but not limited to use for prosecution, rewards, support, and continuing legal education in furtherance of Chapter 26 Title 40.

Additionally the following are the District Attorney's nonmajor governmental funds:

Worthless Check Collection Fee Special Revenue Fund - The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used to supplement the salary of the District Attorney.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

Pre-Trial Intervention Special Revenue Fund - The Pre-Trial Intervention Special Revenue Fund was established by the District Attorney to isolate the program revenues and expenditures. The program is a diversion program which is offered to selected non-violent offenders as an alternative to prosecution. Participants receive coordinated assistance in job placement, educational and vocational referrals, personal and group counseling, and referrals to other community agencies appropriate to their needs. The revenues for this fund are derived from charges for services to participants and operating transfers from other funds of the District Attorney.

Fiduciary Funds: Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District Attorney. This District Attorney's fiduciary funds include:

Escrow Agency Fund - The Escrow Agency Fund was created to account for collections by the District Attorney's office which are to be distributed to other agencies and victims of crimes. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Drug Asset Seizure Agency Fund - The Drug Asset Seizure Agency fund was established in compliance with Louisiana Revised Statute 40:2616, which provides that the proceeds of any sale and any monies forfeited or obtained by judgment or settlement under the Seizure and Controlled Dangerous Substances Property Forfeiture Act of 1989 shall be deposited into a special trust fund until the court determines equitable distribution of these funds.

The law provides that the District Attorney shall administer expenditures from this fund in the following priority:

- For satisfaction of any bona fide security interest or lien.
- Thereafter, for payment of all proper expenses of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, and court costs.
- The remaining funds are to be allocated 60% to the law enforcement agency or agencies making the seizure, 20% to the criminal court fund, and 20% to any District Attorney's office that handles the forfeiture action for the state.

Worthless Check Escrow Agency Fund - This fund was established to account for collections of worthless check restitution and fees to be distributed to victims and other government agencies.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

C. Basis of Accounting/Measurement Focus

Government Wide Financial Statements (GWFS)

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transaction are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues resulting from non-exchange transactions, such as grants, are recognized when all applicable eligibility requirements are met.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they measurable and available to pay current period liabilities.

Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period or 60 days. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Revenues resulting from non-exchange transactions, such as grants, are recognized when all applicable eligibility requirements are met and the resources are measurable and available. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees, and general long-term obligations principal and interest payments are recognized only when due.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

D. Cash, Cash Equivalents, and Investments

Cash includes amounts in interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with maturities of 90 days or less. Under state law the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments may include instruments or obligations issued by the United States Government or its agencies, or any other federally-issued investment.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 since the District Attorney does not have a formal investment policy. Funds which are available for investment and above immediate cash requirements can be invested in statutorily-sanctioned investments including direct U.S. Treasury obligations, bonds, debentures, notes or certificates issued by or guaranteed by federal agencies, or time certificate of deposit in any bank domiciled or have a branch office in Louisiana or any other federally-insured investment. Statutorily-sanctioned investments also include funds invested with external local government investment pools such as Louisiana Asset Management Pool.

When investments are present in the financial statements they are reflected at fair value except for the following which are permitted per GASB Statement 31, *Accounting and Financial Reporting/or Certain Investments and for External Investment Pools*:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure. Interest-earning investment contracts include time deposits with financial institutions (such certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money-market investments and participating interest-earning investment contracts that have remaining maturity at time of purchase of one year or less are reported at amortized cost. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

E. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds that may result from goods provided or services rendered in amounts owed between funds. These receivables payables are classified as interfund receivable/payables on the Funds Financial Statement (FPS) balance sheet. Short-term interfund loans are also classified as interfund receivables/payables. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

properly applicable to another fund and are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

G. Eliminations and Reclassifications

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the fund financial statements were eliminated or reclassified. Interfund receivables and payable were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities.

H. Subsequent Events

Subsequent events were evaluated through June 30, 2014, which is the date the financial statements were available to be issued. Management determined that no events occurred that require disclosure.

I. Risk Management

The District Attorney's office is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District Attorney carries commercial insurance for errors and omissions. All other risks of loss are covered by commercial insurance provided by the Police Jury. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

J. Capital Assets

In the fund financial statements, the cost of acquiring capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are capitalized at historical cost or estimated historical cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of \$1,000 or more for capitalizing capital assets. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repair and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful life by type of assets is as follows:

Vehicles	5 years
Improvements	5-20 years
Furniture and equipment	5-10 years
Other	5-20 years

K. Compensated Absences

The District Attorney has the following policy relating to vacation and sick leave:

Vacations

Clerical personnel are granted ten working days per year for the first through the fifth year of service, fifteen working days per year for the sixth through the twelfth year; and twenty working days per year for service beyond twelve years. Primarily all of the clerical personnel's salaries are paid by the police jury's criminal court fund. This part of the vacation liability applies to the police jury and not the District Attorney's office. However, vacation time must be taken before the end of the year or it is forfeited. The District Attorney does not allow vacation time to accumulate or vest beyond year end.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

All District Attorneys and the administrative and investigative assistants are authorized ten working days per year for the first year of service, then fifteen working days per year for the second through tenth year of service; and twenty-five days per year after ten years of service.

Vacation time must be used before the end of the year or it is forfeited. The District Attorney does not allow vacation time to accumulate or vest beyond year end.

Sick Leave

Each employee shall accrue sick leave at the rate of one day per month, the first five years, and then one-and-a-half days per month for all years thereafter. Accumulated sick leave cannot exceed 35 days. Employees cannot be paid for accrued sick leave when they resign, retire or are terminated.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current year expenditure in the governmental funds when the leave is actually taken. As of December 31, 2013, the District Attorney did not have a liability for accrued vacation leave since this benefit does not vest past year end. Therefore the financial statements do not contain a liability for unpaid vacation pay. This District Attorney does not accrue a liability for nonvesting accumulating rights to receive sick pay benefits as allowed by GASB C60.611.

L. Fund Equity

In the government-wide statements, equity is classified as Net Position and displayed in three components.

- a. *Invested in capital assets, net of related debt* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted Net Position* - Consists of Net Position with constraints placed on the use either by (1) external groups such as creditors, grantors contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted Net Position* - All other Net Position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted resources are available for use, it is the District Attorney's policy to use restricted resources first, then unrestricted resources as needed.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

In the *fund financial statements*, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are classified as follows:

- a. *Nonspendable* - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. *Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. *Committed* - amounts that can be used only for specific purposes determined by a formal decision of the District Attorney, which is the highest level of decision-making authority for the District Attorney of the Thirty-First Judicial District.
- d. *Assigned* - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. *Unassigned* - all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the District Attorney considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District Attorney considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Attorney has provided otherwise in their commitment or assignment actions.

M. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District Attorney, which are either unusual in nature or infrequent in occurrence.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

2. DEPOSITS AND INVESTMENTS

Cash and equivalents include demand deposits and certificates of deposit at local financial institutions with a carrying value of \$858,925, and investments in external investment pools with a carrying value of \$168,142 at December 31, 2013. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the District Attorney's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of December 31, 2013, the District Attorney's bank balances of \$867,359 were insured by Federal Deposit Insurance Corporation (FDIC) (Category 1) in the amount of \$820,537 and by pledged securities (Category 3) in the amount of \$46,822. Therefore, the District Attorney's was not exposed to custodial credit risk at December 31, 2013.

Louisiana Asset Management Pool (LAMP), a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purpose of determining participants' shares, investments are valued at amortized cost. The fair value of participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants' immediate access to their account balances.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

3. DUE FROM OTHER GOVERNMENTS

Accounts receivable at year end are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Title IV-D</u>	<u>Total</u>
Due from other governments			
LACE Program	\$ 97,972	\$ -	\$ 97,972
Operating subsidies	213,379	-	213,379
Title IV-D administrative	-	7,876	7,876
	<u>\$311,351</u>	<u>\$ 7,876</u>	<u>\$ 319,227</u>

4. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at year end were as follows:

<u>Fund Due to:</u>	<u>Title IV-D</u>	<u>Due from Other Fund</u>	<u>Agency Fund</u>	<u>Total</u>
General Fund	\$ 4,167	\$ 1,300	\$ -	\$ 5,467
Drug Forfeiture Fund	-	-	1,455	1,455
Other Funds	-	-	760	760
	<u>\$ 4,167</u>	<u>\$ 1,300</u>	<u>\$ 2,215</u>	<u>\$ 7,682</u>

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

5. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets:				
Vehicles	\$ 55,889	\$ -	\$ -	\$ 55,889
Improvements	93,387	14,149		107,536
Equipment and furniture	147,854	11,534	54,782	104,606
Other	7,570	-	-	7,570
Total capital assets	<u>304,700</u>	<u>25,683</u>	<u>54,782</u>	<u>275,601</u>
Less accumulated depreciation:				
Vehicles	27,731	11,178	-	38,909
Improvements	61,272	4,472	-	65,744
Equipment and furniture	146,168	2,289	53,874	94,583
Other	6,920	75	-	6,995
Total accumulated depreciation	<u>242,091</u>	<u>18,014</u>	<u>53,874</u>	<u>206,231</u>
Capital assets, net	<u>\$ 62,609</u>	<u>\$ 7,669</u>	<u>\$ 908</u>	<u>\$ 69,370</u>

Depreciation expense of \$18,014 was charged to judiciary government function.

6. CHANGES IN AGENCY DEPOSITS DUE TO OTHERS

A summary of changes in agency deposits due to others follows:

	Escrow Fund	Drug Asset Seizure Fund	Worthless Checks Escrow Fund	Total
Balances, December 31, 2012	\$ 5,006	\$ 68,695	\$ 3,698	\$ 77,399
Additions:	55,083	159,433	140,111	354,627
Reductions:	<u>(50,405)</u>	<u>(95,842)</u>	<u>(141,175)</u>	<u>(287,422)</u>
Balances, December 31, 2013	<u>\$ 9,684</u>	<u>\$132,286</u>	<u>\$ 2,634</u>	<u>\$ 144,604</u>

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

7. PENSION PLANS

A. Louisiana District Attorney's Retirement System

Plan Description. The District Attorney and assistant District Attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, at a minimum, the amounts paid by the state for the Assistant District Attorneys and are under the age of 60 at the time of original employment and all District Attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3 percent benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3 percent benefit reduction for each year retiring below the age of 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3 percent benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3 percent of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100 percent of his average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5 percent of the member's final average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3 percent for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 percent of the average final compensation. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116- 2091, or by calling (504) 947-5551.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

Funding Policy. Plan members are required by state statute to contribute 8% percent of their annual covered salary and the District Attorney is required to contribute at an actuarially determined rate. The current rate is 10.25% and 9.75% of annual payroll for the period from January 1 to June 30, 2013, and July 1 to December 31, 2013, respectively, of annual covered payroll. Contributions to the System also include .2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members and the District Attorney are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the result of the valuation for the prior fiscal year. The District Attorney's contributions to the System for the years ending December 31, 2013, 2012, and 2011 were \$22,387, \$26,307, and \$23,992, respectively; equal to the required contributions for each year.

B. Parochial Employees' Retirement System of Louisiana (PERS)

Plan Description. Substantially all employees, exclusive of the District Attorney and the assistant District Attorneys of the District Attorney's office are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the District Attorney are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. As of January 1, 1997, elected officials, except coroners, justices of the peace and parish presidents, may no longer join the retirement system. Those elected officials enrolled as of January 1, 1997 will maintain membership as long as they hold office. Effective July 1, 1997, new employees age 55 and older and who have 40 quarters or more of social security participation have an option to join the parochial system. New employees meeting the age and social security criteria have up to 90 days from the date of hire to elect to participate. Under Plan A, employees who were hired prior to January 1, 2007, may retire at or after age 65 with at least 7 years of credited service, at age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service and employees who were hired after January 1, 2007, may retire at age 67 with at least 7 years of credited service, at age 62 with at least 10 years of credited service, or at age 55 with at least 30 years of credited service, are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average annual compensation for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final average compensation plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980 plus 3 percent of final-

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

average salary for each year of service credited after the revision date. Final-average compensation is defined as the average of the highest consecutive 36 months salary for members hired prior to January 1, 2007. For members hired January 1, 2007 and later, final average compensation shall be defined as the average of the highest consecutive 60 months salary. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The system issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the District Attorney of the Thirty-First Judicial District is required to contribute at a statutory rate based on actuarially determined computations. The current rate is 16.75% of covered payroll. Contributions to the System also include one-fourth of one percent of the ad valorem taxes shown to be collectible (except for Orleans and East Baton Rouge parishes) by the tax rolls of each parish.

These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District Attorney of the Thirty-First Judicial District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the result of the valuation for the prior fiscal year. The District Attorney of the Thirty-First Judicial District's contribution to the System under Plan A for the year ending December 31, 2013, 2012, and 2011 was \$59,483, \$55,951, and \$54,291, respectively, equal to the required contribution for each year.

8. EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED IN THE FINANCIAL STATEMENTS

The District Attorney's offices are located in the Jefferson Davis Parish courthouse. The Jefferson Davis Parish Police Jury pays for the upkeep and maintenance of the courthouses. The accompanying financial statements do not include certain expenditures of the District Attorney paid out of the funds of the parish governing bodies or directly by the state.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

9. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

The Jefferson Davis Parish Police Jury's General Fund and Criminal Court Fund and the State of Louisiana pay a portion of the salaries and benefits of the District Attorney's office. These on-behalf payments have been recorded in the accompanying financial statements, in accordance with Governmental Accounting Standards Board Statement 24, as intergovernmental revenues and expenditures as follows:

Intergovernmental Revenues:	
State	\$ 253,000
Parish	464,979
Total	<u>\$ 717,979</u>
Expenditures:	
Salaries and related benefits	<u>\$ 717,979</u>

The above amounts include \$22,387 paid to the District Attorneys Retirement System and \$59,483 paid to the Parochial Employees' Retirement System of Louisiana for pension contributions for the District Attorney's employees.

10. COMPENSATION OF ELECTED OFFICIALS

Compensation paid to the District Attorney Michael C. Cassidy for the year ended December 31, 2013 is \$110,365. This amount represents only the portion paid by the District Attorney's office. The remainder of his salary is paid by the state and parish governments.

11. CONTINGENCIES

The District Attorney participates in a number of federal and state financial assistance programs. These programs are subject to further financial and compliance audits by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, the District Attorney feels such amounts, if any, would be immaterial to the financial statements.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA

Notes to the Financial Statements - Continued

For the Year Ended December 31, 2013

12. RELATED PARTY TRANSACTIONS

Certain operating expenditures of the District Attorney's office have been reimbursed by the Parish Police Jury, as required by Louisiana law, and are included in the accompanying financial statements as expenditures. The reimbursements paid by the Police Jury are recorded as intergovernmental revenue in the accompanying financial statements. These expenditures include among other things the provision of office facilities including utilities and insurance. These expenditures have been recorded in the financial statements as follows:

Salaries and related benefits	\$ 424,033
Communications	19,729
Office supplies	59,110
Other expenditures	279,511
Total	<u>\$ 782,384</u>

Accounts receivable for related amounts at year end amount to \$ 311,351.

10. LEASES AND COMMITMENTS

The District Attorney's office currently leases certain office equipment. This lease has been classified as an operating lease and, as such, rental payments have been recorded as an operating expenditure. The District Attorney's office also has a commitment from signage lease. Total rent expense for the year ended December 31, 2013 was \$9,110. Future minimum lease payments for 2013, 2014, 2015, 2016 and 2017 are \$9,110, \$6,310, \$3,592, \$0 and \$0, respectively.

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE 1

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual
General Fund**

For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Commissions on fines and forfeitures	\$ 350,000	\$ 350,000	\$ 365,859	\$ 15,859
Intergovernmental revenues:				
Federal	-	-	31,610	31,610
State	260,000	260,000	247,600	(12,400)
Parish	950,000	900,000	904,847	4,847
Interest earnings	500	500	-	(500)
Other revenues	500	500	1,300	800
Total revenues	<u>1,561,000</u>	<u>1,511,000</u>	<u>1,551,216</u>	<u>40,216</u>
EXPENDITURES				
Current:				
General government-Judicial:				
Salaries and related benefits	1,100,000	1,100,000	1,104,657	(4,657)
Advertising, dues and subscriptions	16,000	37,000	37,517	(517)
Communications	1,000	500	-	500
Repairs and maintenance	10,000	10,000	8,369	1,631
Professional services	55,000	62,000	64,331	(2,331)
Insurance	8,000	8,000	7,972	28
Office supplies	15,000	18,000	14,197	3,803
Operating supplies	5,000	2,000	3,676	(1,676)
Travel and professional development	19,000	16,000	12,500	3,500
Other expenditures	3,000	1,000	-	1,000
Intergovernmental expenditures:				
Distributions to other governments-LACE	375,000	350,000	326,457	23,543
Capital outlay	5,000	10,000	10,347	(347)
Total expenditures	<u>1,612,000</u>	<u>1,614,500</u>	<u>1,590,023</u>	<u>24,477</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(51,000)</u>	<u>(103,500)</u>	<u>(38,807)</u>	<u>64,693</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	181,000	115,000	(66,000)
Total other financing sources (uses)	<u>-</u>	<u>181,000</u>	<u>115,000</u>	<u>(66,000)</u>
NET CHANGE IN FUND BALANCE	<u>(51,000)</u>	<u>77,500</u>	<u>76,193</u>	<u>(1,307)</u>
FUND BALANCE-BEGINNING OF YEAR	<u>508,865</u>	<u>508,865</u>	<u>508,865</u>	<u>-</u>
FUND BALANCE-END OF YEAR	<u>\$ 457,865</u>	<u>\$ 586,365</u>	<u>\$ 585,058</u>	<u>\$ (1,307)</u>

The accompanying notes are an integral part of these schedules.

SCHEDULE 2

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual
Special Revenue Fund - Title IV-D Fund**

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues:				
Federal	\$ 62,707	\$ 62,707	\$ 64,005	\$ 1,298
State	33,765	33,765	32,973	(792)
Interest earnings	-	-	21	21
Total revenues	<u>96,472</u>	<u>96,472</u>	<u>96,999</u>	<u>527</u>
EXPENDITURES				
Current:				
General government-Judicial:				
Salaries and related benefits	96,000	97,500	97,344	156
Communications	-	2,600	2,447	153
Rentals	2,300	-	-	-
Office supplies	-	1,400	1,202	198
Total expenditures	<u>98,300</u>	<u>101,500</u>	<u>100,992</u>	<u>508</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,828)</u>	<u>(5,028)</u>	<u>(3,993)</u>	<u>1,035</u>
NET CHANGE IN FUND BALANCE	(1,828)	(5,028)	(3,993)	1,035
FUND BALANCE-BEGINNING OF YEAR	<u>32,722</u>	<u>32,722</u>	<u>32,722</u>	<u>-</u>
FUND BALANCE-END OF YEAR	<u>\$ 30,894</u>	<u>\$ 27,694</u>	<u>\$ 28,729</u>	<u>\$ 1,035</u>

The accompanying notes are an integral part of these schedules.

SCHEDULE 3

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual
Special Revenue Fund - Drug Forfeiture Fund**

For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Commissions on fines and forfeitures	\$ 10,000	\$ 5,000	\$ 4,833	\$ (167)
Interest earnings	500	1,400	1,380	(20)
Other revenues	-	-	664	664
Total revenues	10,500	6,400	6,877	477
EXPENDITURES				
Current:				
General government-Judicial:				
Advertising, dues and subscriptions	5,000	5,000	3,640	1,361
Professional Services	500	-	-	-
Operating supplies	5,000	-	-	-
Travel and professional development	500	-	-	-
Other expenditures	8,000	-	-	-
Total expenditures	19,000	5,000	3,640	1,361
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,500)	1,400	3,237	1,837
NET CHANGE IN FUND BALANCE	(8,500)	1,400	3,237	1,837
FUND BALANCE (DEFICIT) BEGINNING OF YEAR	357,555	357,555	357,555	-
FUND BALANCE (DEFICIT) END OF YEAR	\$ 349,055	\$ 358,955	\$ 360,792	\$ 1,837

The accompanying notes are an integral part of these schedules.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT

Notes to Budgetary Comparison Schedules

For the Year Ended December 31, 2013

A. BUDGETARY PRACTICES

General Budget Practices: The District Attorney follows the following procedures in establishing budgetary data reported in the accompanying budgetary comparison schedule:

Pursuant to the Louisiana Government Budget Act (LSA-RS 36:1301-1314), the District Attorney is required to adopt an annual budget no later than fifteen days prior to the beginning of each fiscal year.

Each year prior to December 15th, the District Attorney develops a proposed annual budget for the general fund and all special revenue funds. The operating budget includes proposed expenditures and the means of financing them. The proposed budget is advertised as available for public inspection at least 10 days prior to final adoption simultaneously with a notice of the date of public hearing. At the conclusion of the public hearing the budget is adopted by the District Attorney through a formal budget resolution.

Appropriations (unexpended budget balances) lapse at the end of fiscal year.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed.

Formal budget integration (within the accounting records) is not employed as a management control device. All budgets are controlled at the object level. Budget amounts included in the accompanying financial statements include the original budget and all subsequent amendments. All budget revisions are approved by the District Attorney.

Budget Basis of Accounting: All governmental fund budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Legally, the District Attorney cannot budget total expenditures and other financing uses which would exceed total budgeted revenues and other financing sources including beginning fund balance. State statutes require the District Attorney to amend the budgets to prevent overall projected revenues, expenditures, or beginning fund balance from causing an adverse budget variance of five percent or more in an individual fund. The District Attorney approves budgets at the object level and management is allowed to transfer amounts between line items within an object. The District Attorney's office amends its budget during the year to account for unanticipated changes in the original budget.

SUPPLEMENTAL INFORMATION

SCHEDULE 4

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Combining Balance Sheet
Nonmajor Special Revenue Funds**

December 31, 2013

	<u>Wothless Check fund</u>	<u>Pretrial Intervention Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 49,458	\$ 60,149	\$ 109,607
Due from other funds	<u>760</u>	<u>-</u>	<u>760</u>
Total Assets	<u><u>\$ 50,218</u></u>	<u><u>\$ 60,149</u></u>	<u><u>\$ 110,367</u></u>
LIABILITIES AND FUND BALANCES			
Due to other funds	<u>\$ -</u>	<u>\$ 1,300</u>	<u>\$ 1,300</u>
Total Liabilities	-	1,300	1,300
FUND BALANCES			
Assigned	<u>50,218</u>	<u>58,849</u>	<u>109,067</u>
Total Fund Balances	<u><u>50,218</u></u>	<u><u>58,849</u></u>	<u><u>109,067</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 50,218</u></u>	<u><u>\$ 60,149</u></u>	<u><u>\$ 110,367</u></u>

SCHEDULE 5

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds**

For the Year Ended December 31, 2013

	Worthless Check Fund	Pretrial Intervention Funds	Total
REVENUES			
Commissions on fines and forfeitures	\$ 23,909	\$ -	\$ 23,909
Charges for services	-	99,215	99,215
Interest earnings	22	58	79
Other revenues	5,000	-	5,000
Total Revenues	<u>28,931</u>	<u>99,272</u>	<u>\$ 128,203</u>
EXPENDITURES			
Current:			
General government - judicial			
Repairs and maintenance	-	1,255	1,255
Professional services	-	15,600	15,600
Office supplies	245	-	245
Operating supplies	-	165	165
Capital outlay	-	15,336	15,336
Total Expenditures - Judicial	<u>245</u>	<u>32,356</u>	<u>32,601</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>28,686</u>	<u>66,916</u>	<u>95,602</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers out	<u>(25,000)</u>	<u>(90,000)</u>	<u>(115,000)</u>
Total Other Financing Sources and Uses	<u>(25,000)</u>	<u>(90,000)</u>	<u>(115,000)</u>
NET CHANGES IN FUND BALANCES	3,686	(23,084)	(19,398)
FUND BALANCES BEGINNING OF YEAR	<u>46,532</u>	<u>81,933</u>	<u>128,465</u>
FUND BALANCES END OF YEAR	<u>\$ 50,218</u>	<u>\$ 58,849</u>	<u>\$ 109,067</u>

SCHEDULE 6

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Combining Balance Sheet
Agency Funds**

December 31, 2013

	Escrow Fund	Drug Asset Seizure Fund	Worthless Checks Escrow Fund	Total
ASSETS				
Cash	\$ 9,684	\$132,286	\$ 2,634	\$ 144,604
Total Assets	<u>\$ 9,684</u>	<u>\$132,286</u>	<u>\$ 2,634</u>	<u>\$ 144,604</u>
LIABILITIES AND FUND BALANCES				
Due to others	\$ 9,684	\$130,831	\$ 1,874	\$ 142,389
Interfund payables	<u>-</u>	<u>1,455</u>	<u>760</u>	<u>2,215</u>
Total Liabilities	<u>\$ 9,684</u>	<u>\$132,286</u>	<u>\$ 2,634</u>	<u>\$ 144,604</u>

SCHEDULE 7

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA**

**Schedule of Changes in Deposits Due to Others
Agency Funds**

For the Year Ended December 31, 2013

	Escrow Fund	Drug Asset Seizure Fund	Worthless Check Escrow Fund	Total
Balance at Beginning of Year	<u>\$ 5,006</u>	<u>\$ 68,695</u>	<u>\$ 3,698</u>	<u>\$ 77,399</u>
Additions:				
Restitution collected	55,083	-	140,111	195,194
Funds seized and auction proceeds	-	159,413	-	159,413
Interest earned	-	20	-	20
Total additions	<u>55,083</u>	<u>159,433</u>	<u>140,111</u>	<u>354,627</u>
Deductions:				
Distribution to victims	50,405	-	117,187	167,592
Distribution to district attorney	-	3,378	23,757	27,135
Distribution to criminal court fund	-	3,378	-	3,378
Distribution to state police	-	6,886	-	6,886
Proceedings and forfeiture expenses	-	82,200	231	82,431
Total deductions	<u>50,405</u>	<u>95,842</u>	<u>141,175</u>	<u>287,422</u>
Balance at End of Year	<u><u>\$ 9,684</u></u>	<u><u>\$ 132,286</u></u>	<u><u>\$ 2,634</u></u>	<u><u>\$ 144,604</u></u>



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the District Attorney of the Thirty-First Judicial District
Parish of Jefferson Davis, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and major funds of the District Attorney of the Thirty-First Judicial District, as of and for the year ended December 31, 2013 and the related notes to the financial statements, and have issued my report thereon dated June 30, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District Attorney's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control. Accordingly, I do not express an opinion on the effectiveness of the District Attorney's internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying Schedule of Current and Prior Year Findings, 01-2013(IC), that I consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

District Attorney of the Thirty-First Judicial District's Response to Findings

District Attorney's response to the findings identified in my audit is described in the accompanying Schedule of Current and Prior Year Findings. District Attorney's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District Attorney's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the District Attorney of the Thirty-First Judicial District, the District Attorney's management, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "J. Aaron Coyle, CPA, LLC". The signature is written in a cursive, flowing style.

June 30, 2014

**DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013**

SECTION I – SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the District Attorney of the Thirty-First Judicial District.
2. One control deficiency was disclosed during the audit of the financial statements and is reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instance of noncompliance material to the financial statements of the District Attorney of the Thirty-First Judicial District was disclosed during the audit.
4. The District Attorney of the Thirty-First Judicial District did not require a Single Audit.

SECTION II - INTERNAL CONTROL AND COMPLIANCE FINDINGS

Current Year Findings:

See Summary Schedule of Current and Prior Year Audit Findings.

Prior Year Findings:

See Summary Schedule of Current and Prior Year Audit Findings.

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA
Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended December 31, 2013

Ref No.	Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Current Year 12/31/2013						
Internal Control:						
01-2013(IC)	Unknown	The District Attorney did not have adequate segregation of duties within the accounting system.	NA	The Jefferson Davis District Attorney's management has determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however, segregated as many duties as possible. No plan is considered necessary.	Michael Cassidy	NA

DISTRICT ATTORNEY OF THE THIRTY-FIRST JUDICIAL DISTRICT
PARISH OF JEFFERSON DAVIS, LOUISIANA
Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended December 31, 2013

Ref No.	Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Prior Year 12/31/2012						
Internal Control: 01-2012(IC)	Unknown	The District Attorney did not have adequate segregation of duties within the accounting system.	NA	The Jefferson Davis District Attorney's management has determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however segregated as many duties as possible. No plan is considered necessary.	Michael Cassidy	NA
Compliance: 02-2012 (C)	2012	Inadequate policies and procedures for record retention in accordance with LSA-RS 44.1.	YES	Recommendations were accepted and policies and procedures in accordance with LSA-RS 44.1. have been instituted.	Michael Cassidy	Completed